



Projects
Neil Shaw

Quad 204, North Sea
Under construction in Korea





Track record of project delivery

2012 – 2014 Major projects start-ups

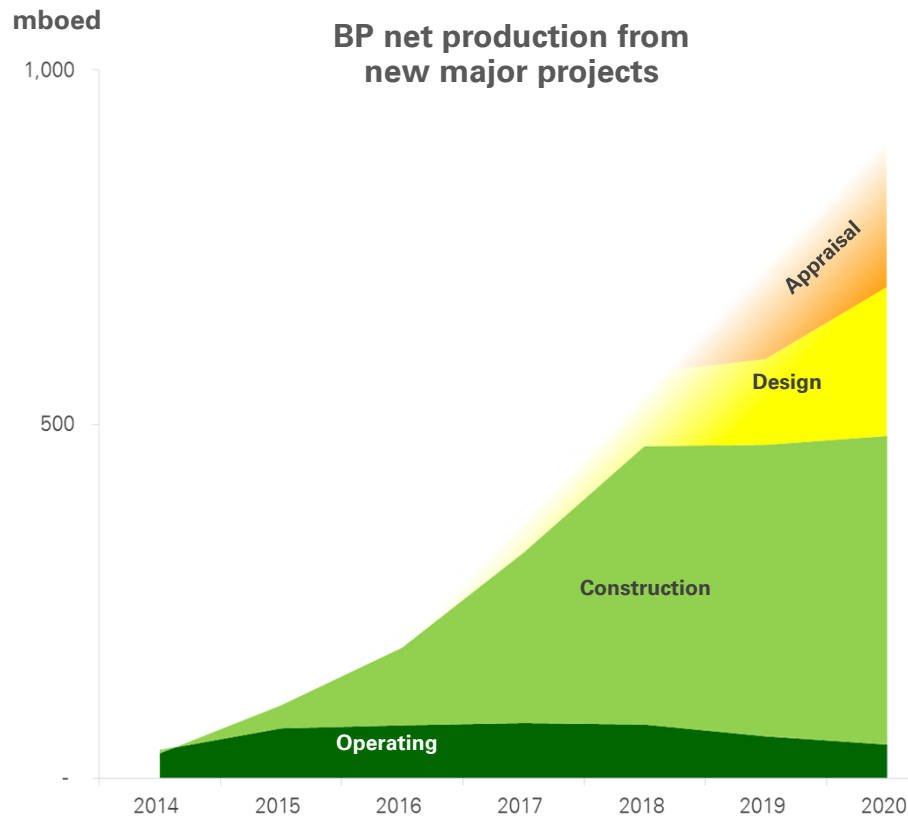
2012	2013	2014
<ul style="list-style-type: none">✓ Clochas-Mavacola✓ Galapagos✓ Devenick✓ PSVM✓ Skarv	<ul style="list-style-type: none">✓ ALNG✓ Atlantis North Expansion 1✓ North Rankin 2	<ul style="list-style-type: none">✓ Chirag Oil✓ Mars B✓ Na Kika 3✓ Atlantis North Expansion 2✓ CLOVKinnoullSunrise 1

On track to deliver 15 major projects 2012 – 2014
Top quartile first year operability performance





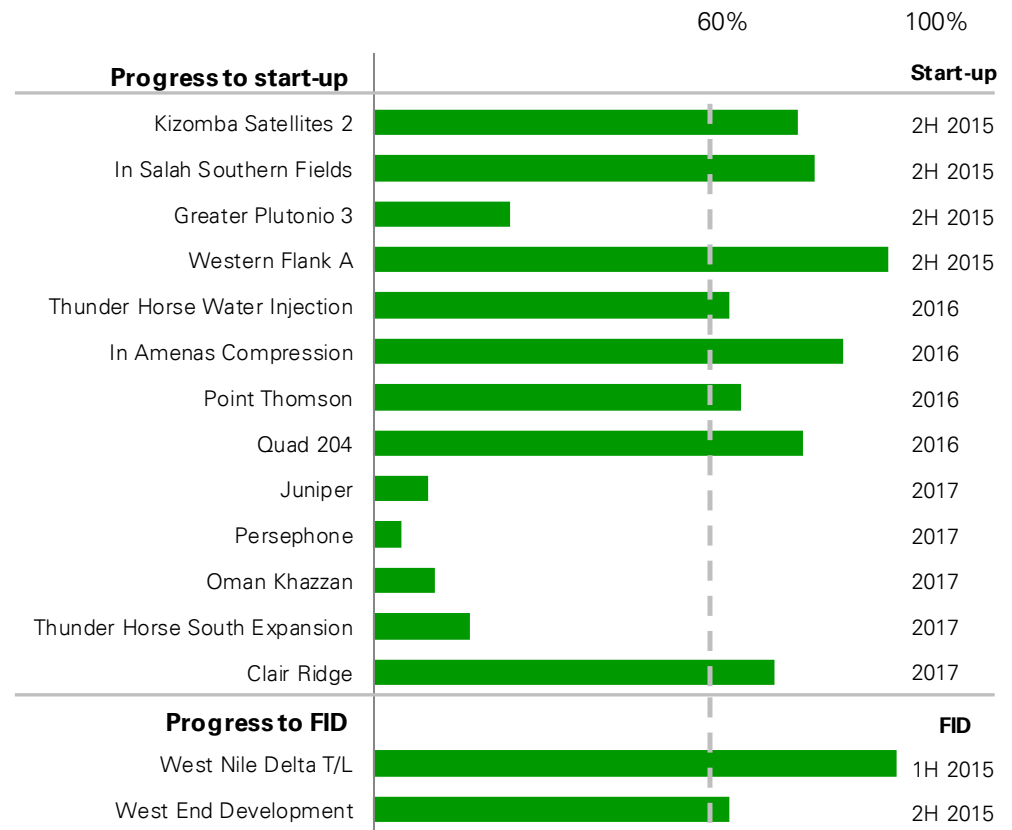
Major projects growth to 2020



2014	2015
Chirag Oil Mars B Na Kika 3 Atlantis North Expansion 2 CLOV	Kizomba Satellites 2 In Salah Southern Fields Western Flank A Greater Plutonio 3
Kinnoull Sunrise 1	
2016	2017
Thunder Horse Water Injection ALNG Re-start In Amenas Compression Point Thomson Quad 204	Juniper Persephone Khazzan Thunder Horse South Expansion Clair Ridge
	West Nile Delta – Taurus/Libra West End Development
2018 - 2020	
Shah Deniz 2 Mad Dog 2 Zinia 2 Culzean West Nile Delta – Giza/Fayoum/Raven Western Flank B Pike 1 Sunrise 2 Tangguh Expansion KG D6 R-Series KG D6 Satellites Liberty	Atlantis Water Injection Expansion Kaskida Thunder Horse North West Expansion Dalia 1B Alligin Snadd East Nile Delta Angelin KG D6 D55 Itaipu Wahoo



On track to deliver 15 projects 2015 – 2017





Improving project execution

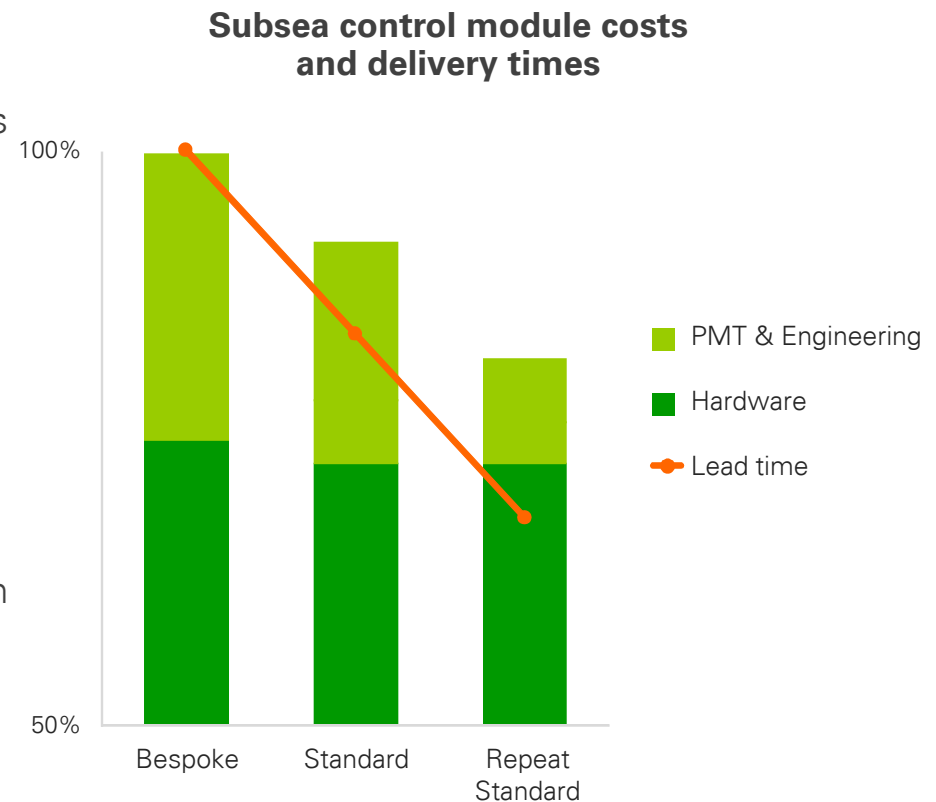
- Global execution model
 - Organisation, systems and processes
 - Centres of expertise
 - Economies of scale
- Concept development re-engineered
 - Single global centre of expertise
 - Consistent and systematic approach to optimisation
 - Lean engineering in collaboration with supply chain

Input metrics (Ongoing projects)	BP relative performance (Quartile)	
	2010	2014
Reservoir FEL	1st	1st
Facilities FEL	1st	1st
Wells FEL	2nd	1st

Output metrics (Completed projects)	BP relative performance (Quartile)	
	2010	2014
Schedule predictability	2nd	1st
Cost predictability	3rd	3rd
1st year operability	3rd	1st

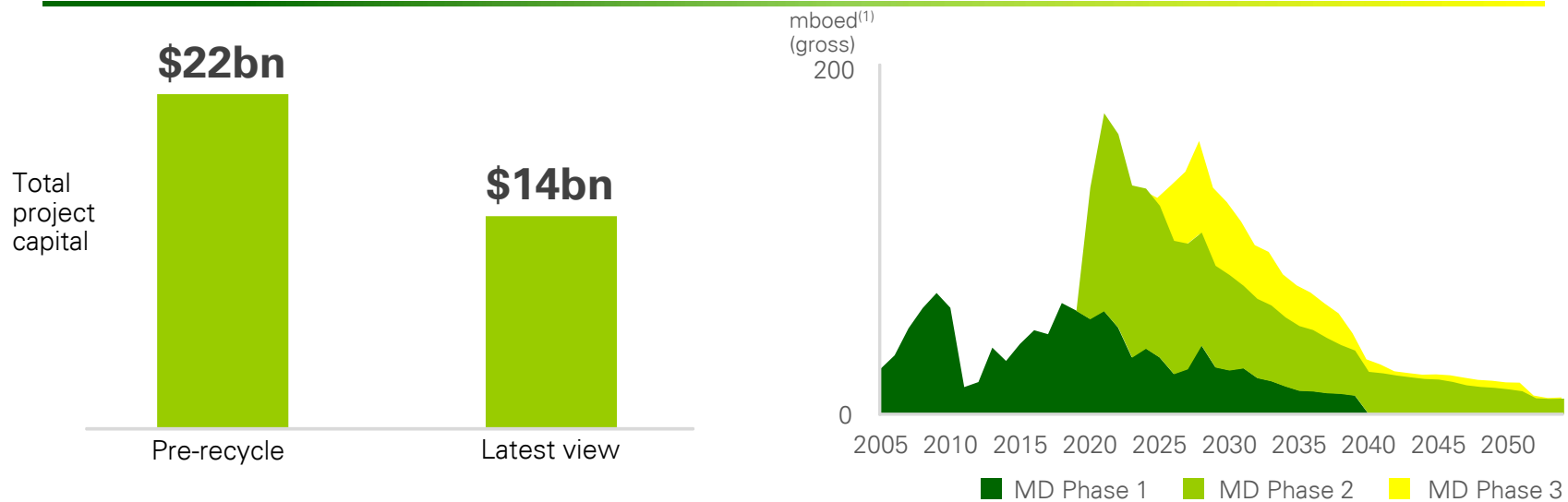
Standardisation

- Organised to standardise
 - Global subsea and facilities hardware teams
 - Global concept development team
 - Multi-year programme to drive standardisation at scale across projects portfolio
- Circa 15% cost and schedule savings
 - Direct costs – lean engineering using standard industry solutions
 - Indirect costs – minimise through repetition
 - Managed competition across strategic suppliers





Mad Dog 2

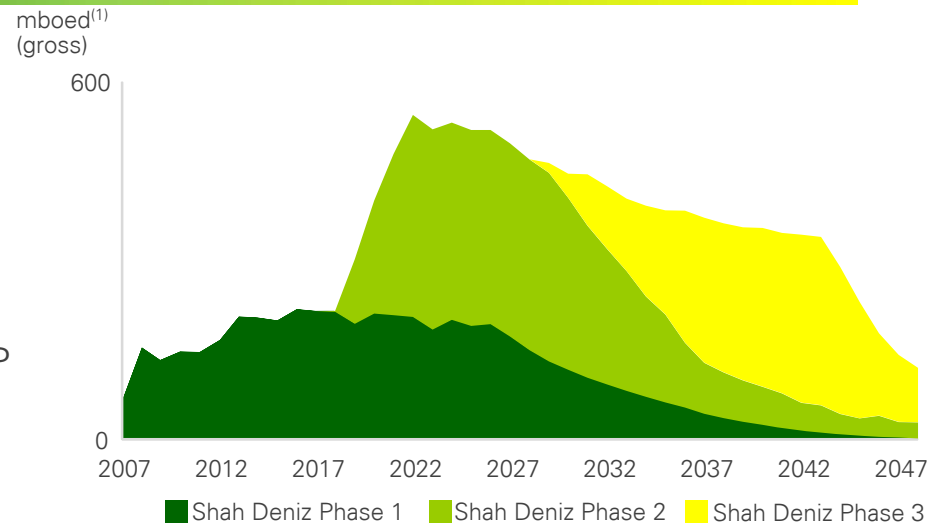


- **Material high-value project**, total field is 4 bn boe in place, only 12% recoverable oil produced to date
- **Focus on value**, ~90% of MD2 resources from 65% capital, retaining optionality for future expansion
- **Standardised solutions**, Re-engineered using proven Atlantis concept, worked with suppliers to challenge costs informed by industry benchmarks and solutions
- **Optimisation**, systematic optimisation of all technical trade-off decisions

1) BP internal data

Shah Deniz 2

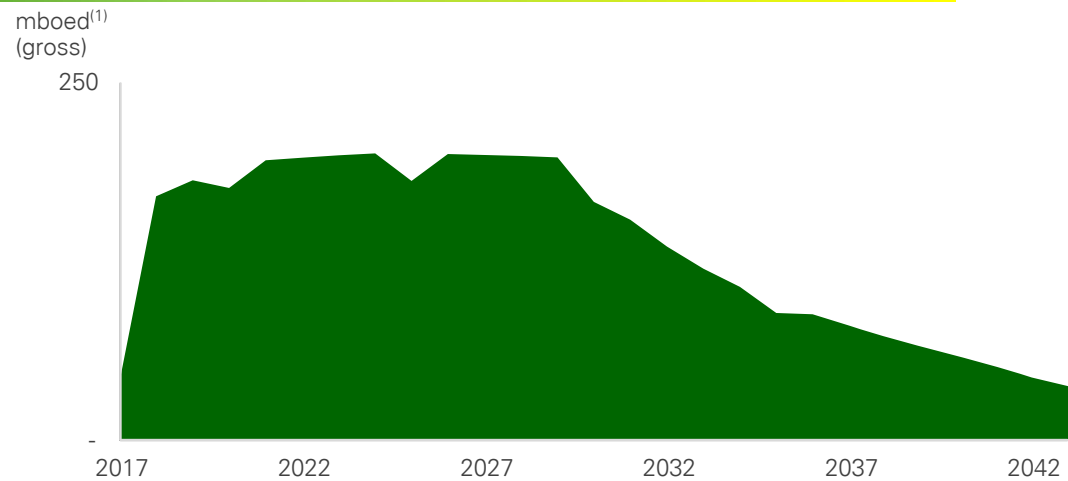
- **Material high-value project**, BP's largest ever gas discovery – 40 tcf gas and 2 bn barrels oil in place
- **Alignment across the value chain**, countries, partners and contractors working together with BP actively influencing TANAP and TAP execution
- **Strong project execution track record**, predictable delivery of six major projects in the region
- **Project execution on track**, overall 25% complete; all major contracts placed and construction ramping-up



1) BP internal data

Oman Khazzan

- **Material high-value project**, develops 7 tcf resources with peak production of ~1 bcfd
- **Technology**, leverages BP capability in tight gas development to optimise recovery
- **Project execution on track**, overall 12% complete with all major contracts placed and construction ramping-up



1) BP internal data



Summary

- High-quality and material project portfolio to underpin growth to 2020 and beyond
 - Over 900 mboed of expected new net production by 2020
 - 50% under construction
 - next 15 projects on track for start-up in 2015 - 2017
 - 2015 - 2020 project margins over 35% greater than 2014 segment average
 - Deep portfolio – only do the best when they are optimised and ready to execute
- Global execution model improving project optimisation and execution
 - Re-engineered concept development to systematically optimise for value
 - IPA benchmarks BP project performance as first quartile on five of the six key metrics
 - We see potential to further improve